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C O N F I D E N T I A L SECTION 01 OF 04 DAR ES SALAAM 001500

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E.O. 12958: DECL: 11/08/2017

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SUBJECT: TANZANIA: AS CORRUPTION SCANDALS SWIRL, GOLDEN  
BOY'S LUSTRE DIMS

REF: A. DAR ES SALAAM 1267  
[1](#)B. DAR ES SALAAM 1037  
[1](#)C. DAR ES SALAAM 1009

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Classified By: Deputy Chief of Mission D. Purnell Delly for  
reasons 1.4 (b) and (d).

[1](#)1. (SBU) Summary: Confronted with a rising tide of  
corruption allegations, and government refusal to address  
them, opposition anger has erupted here in a series of bold  
corruption charges leveled at some of the most senior figures  
in Kikwete's administration. Over the past several weeks,  
frustration has also been building among the Tanzanian  
electorate, as opposition leaders, the media, and even a  
handful of respected "old guard" ruling party members have  
called for the resignation of those accused, including the  
Minister of Energy, Minister of Infrastructure, and the  
Governor of the Bank of Tanzania. President Jakaya Kikwete  
has remained surprisingly silent in the face of these  
allegations, and lack of genuine action is beginning to take  
a toll on his popularity, and the patience of donors. End  
summary.

The "List of Shame"

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[1](#)2. (SBU) In the midst of the fallout created by suspension of  
opposition Member of Parliament Kabwe Zitto (Ref A), the  
Parliament's deputy opposition leader, Dr. Wilbrod Slaa, and  
other opposition leaders began to make bold corruption  
allegations against senior GOT officials. On September 15,  
Dr. Slaa, who is also Secretary General of the CHADEMA party,  
presented the "List of Shame" at a packed rally in Dar es  
Salaam. With the list, Slaa and other opposition leaders  
presented detailed accusations of grand corruption against  
eleven senior GOT officials, and assured the public that they  
had sufficient evidence to prove their claims.

[1](#)3. (U) Those named in the "List of Shame" were: President  
Jakaya Kikwete; former President Benjamin Mkapa; Prime  
Minister Edward Lowassa; Minister of Energy and Minerals  
Nazir Karamagi; Minister of Infrastructure Development Andrew  
Chenge; Minister of Industry, Trade, and Marketing Basil  
Mramba; Bank of Tanzania Governor Daudi Balali; Member of  
Parliament and CCM Treasurer Rostam Aziz, Member of  
Parliament Nimrod Mkono; Ministry of Finance Permanent  
Secretary Gray Mgonja; and Ministry of Water Permanent

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Secretary Patrick Rutabanzibwa. The list described

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embezzlement of USD 1 billion through the use of false  
contracts, shell companies, bribery, nepotism in awarding  
contracts, land grabbing, and other corrupt practices in  
deals involving a total of USD 3 billion.

Bold Move by One Newspaper

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[1](#)4. (SBU) Early media coverage described the rally and the  
nature of the opposition's allegations, but did not publish  
the names of the officials involved, citing legal concerns.  
(Note: Members of the press told Embassy officials privately  
that they feared that a provision of Tanzania's recently  
enacted anti-corruption law would be interpreted to penalize  
them if they published the allegations. End note.) However,  
on September 19, a local Swahili newspaper published the list  
in its entirety, and in doing so opened the floodgates to a  
torrent of press reporting on grand corruption at the highest  
levels of Tanzanian government that has continued for almost  
eight consecutive weeks.

CCM Reaction: Denials, Jibes, and Threats

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[1](#)5. (SBU) The ruling Chama Cha Mapinduzi (CCM) party  
immediately responded to the opposition's allegations with  
indignation and hostility. At a September 18 press

conference, Minister of State for Political Affairs and Civil Society Relations Kingunge Ngombale-Mwiru warned the opposition against "making statements... with the pure aim of inciting the public against their elected government." He added: "Opposition officials are forgetting that the freedom they are enjoying is not available in other countries. It is

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in Tanzania where they can today say and do what they want because CCM is tolerant." Other cabinet level officials released similar statements, insisting that the accusations were intended to incite hatred and weaken national unity, and decrying the opposition as powerless and "without mandate." QFL'qQf0Officials from President Kikwete down have repeatedly told critics that anyone possessing evidence of wrongdoing should report it immediately to the Prevention and Combating of Corruption Bureau (PCCB), where investigations will be initiated. (Note: Within the past week, the Director of PCCB, Edward Hosea, has himself been the subject of corruption allegations. Moreover, among the individuals named in the "List of Shame" are officials on the list of "untouchables" whom PCCB leaders have privately told the Embassy they are forbidden to prosecute, such as former President Mkapa (Ref B). End note.) Prime Minister Edward Lowassa told crowds at a CCM rally that individuals named by the opposition "have the option" to step down during investigations, but would be considered innocent by the government unless proven guilty.

17. (SBU) CCM also began to counter the allegations through a nationwide series of rallies. The party has taken advantage of the timing of external events, such as the release of the new Transparency International corruption perception index (which saw Tanzania rise to a more favorable ranking), and announcement of various forms of donor support (including the Millennium Challenge Compact), in an attempt to assure the public that the international community views Tanzania as largely free of graft. (Note: We attribute the modest rise in Tanzania's corruption index to two factors: press reticence to publish allegations of corruption which has given way to a much more open press environment and therefore greater corruption reporting over the past year; and, the resulting lag in the indicator. These indicators measure perception, and what we have seen unequivocally here over the past year is a deepening cynicism on corruption among not only donors, but Tanzanians on the street. End Note.)

18. (SBU) In the weeks that followed the publication of the list, several of the accused announced that they planned to sue Dr. Wilbrod Slaa or anyone else who made false allegations against them for defamation. Slaa responded by welcoming the opportunity to prove his claims in court. To date, none of the accused have filed suit.

Kikwete Reaction: No Response, Avoids Press

19. (C) On the same day the opposition released the "List of Shame," President Kikwete departed Tanzania for his two and a half week trip to the U.S. Despite public speculation that he might cut his trip short to attend to the growing discord, he remained abroad and did not respond to any allegations. Upon his Oct. 3 return, he uncharacteristically refused to speak to reporters who met him at the airport. He also seemingly disregarded the expectation that he address the allegations against him at a State House press conference, and remained silent.

110. (SBU) On October 11, ten days after his return from New York, President Kikwete addressed the general allegations of corruption (although not those specifically leveled against him). Speaking at a church fundraiser, he warned the Tanzanian people, and especially politicians, against "turning themselves into spies, investigators, prosecutors, and judges," claiming that this would lead the country toward instability. Kikwete stated that he was personally taking action against corruption in Tanzania, including corruption in his party, and that each allegation of corruption would be thoroughly investigated in accordance with Tanzanian law. (Note: Three CCM members of parliament have been turned over to be investigated by the PCCB for their involvement in corrupt practices during recent internal CCM party elections.

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End note.)

111. (SBU) Three days later, Kikwete appeared to pass the buck on tackling corruption to the PCCB. During an Arusha rally, Kikwete told crowds that the PCCB is "at liberty to investigate and arrest anybody. If they don't, then it will be their own weakness. I have nothing to do with that." After returning from Italy and France on October 24, he did not address the issue until the CCM Congress on November 3. There, in an address to CCM and opposition politicians broadcast nationwide, President Kikwete reiterated that CCM was not a party that would tolerate corruption, and that his administration was committed to addressing the issue.

Public Reaction: Disappointment, Frustration, Signs of Dissent

112. (SBU) For several weeks following the release of the "List of Shame," the media focused on the unfolding drama between accusers and accused, while the public appeared to reserve judgment until the President spoke out or announced a plan of action. However, in the absence of any action, public sentiment has turned increasingly negative. An opposition alliance urged the President to order those accused to step down in order to allow investigations to take place; many civil society groups have voiced similar views. In the press, headlines lamenting corruption in government

(e.g., "Nation sinking deeper into graft," "Graft: The major bane of Tanzania") have become commonplace. At nationwide rallies, CCM leaders have received a less-than-positive response to their "innocent until proven guilty" rhetoric, with crowds in Mbeya booing Prime Minister Lowassa at one such rally.

¶13. (SBU) On the October 14 anniversary of the death of founding president Julius Nyerere's death, crowds at memorial events carried placards calling on the GOT to follow the late president's example as ethical leader, and media coverage of the anniversary bemoaned the nation's current problems with corruption. On the same date, a respected former aide to Nyerere, Joseph Butiku, decried corruption within the GOT, and called on those named on the "List of Shame" to resign. The late president's son, Makongoro Nyerere, also voiced concerns about the allegations against the current leadership. In the past, this anniversary has been an occasion to evaluate the country's progress, but never before has the assessment been so dour.

Comment

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¶14. (C) Initially playing on outcry over the suspension of MP Kabwe Zitto, the Parliamentary opposition has successfully unleashed the public's frustration over corruption in the ruling party. While it remains unclear whether this frustration will translate into support for opposition candidates in the next elections, it is very clear that CCM will not be able to silence allegations against senior government leaders and anger over perceived misuse of public resources unless the party either a) takes action against corruption at the highest levels of government, or b) resorts to forms of censorship and/or intimidation of the press that will not be received well by the electorate. We do not expect to see President Kikwete resort to the latter; indeed, he has been responsible for fostering a far more robust press environment than his predecessor, Benjamin Mkapa. We have praised him for this.

¶15. (C) Kikwete is now in a position where he must either confront his allies for their corrupt practices (which could open him and his party to further allegations), or confront an electorate that increasingly disillusioned in him and his government. Kikwete, indeed, is at a turning point, not only with his electorate, but with donors (which we will report septel). At the CCM Congress on November 3, Kikwete spoke out strongly against graft in his own party, and engineered a reshuffle of the CCM Central Committee (the party's most powerful organ). In the last several days, there has been modest movement on at least one high-profile corruption case, and Parliamentary interest in opening a public inquiry into

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another. But rhetoric and modest steps are one thing, and genuine resolve to fight corruption and punish perpetrators is another. We will know the latter when we see it, and so will the Tanzanian people; and we have not seen it yet.  
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